

BOSSIER OFFICE OF COMMUNITY SERVICES, INC.**AUDIT REPORT****DECEMBER 31, 2011**

Under provisions of state law, this report is a public document. A copy of the report has been submitted to the entity and other appropriate public officials. The report is available for public inspection at the Baton Rouge office of the Legislative Auditor and, where appropriate, at the office of the parish clerk of court.

Release Date AUG 22 2012

Terrie L. Jackson
Certified Public Accountants

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Independent Auditor's Report

To the Board of Directors
Bossier Office of Community Services, Inc.
Bossier City, Louisiana

We have audited the accompanying statement of financial position of Bossier Office of Community Services, Inc. (a non-profit corporation) as of December 31, 2011 and 2010, and the related statements of activities, functional expenses, and cash flows for the years then ended. These financial statements are the responsibility of the Organization's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and the significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Bossier Office of Community Services, Inc. as of December 31, 2011 and 2010, and the changes in its net assets, its cash flows and its functional expenses for the years then ended in conformity with accounting principles generally accepted in the United States of America.

In accordance with *Government Auditing Standards*, we have also issued our report dated June 15, 2012, on our consideration of Bossier Office of Community Services, Inc.'s internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an

opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and important for assessing the results of our audit.

Our audit was conducted for the purpose of forming an opinion on the financial statements of Bossier Office of Community Services, Inc. as a whole. The accompanying schedule of expenditures of federal awards is presented for purposes of additional analysis as required by OMB Circular A-133 and is not a required part of the financial statements. Further, the supplemental schedules listed on pages 23 – 24 of this report are presented for purposes of additional analysis and are also not a required part of these financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the supplemental information is fairly stated in all material respects in relation to the financial statements as a whole.

A handwritten signature in black ink, appearing to read 'Felix L. Jackson', with a stylized flourish at the end.

Houston, Texas

June 15, 2012

Bossier Office of Community Services, Inc
Statements of Financial Position
December 31, 2011 and 2010

	<u>2011</u>	<u>2010</u>
Assets		
Current Assets		
Cash	\$ 325,297	\$ 218,235
Grants receivable	26,974	201,461
Accounts receivable insurance	-	-
Accounts receivable other	-	-
Total current assets	<u>352,271</u>	<u>419,696</u>
Property and Equipment		
Furniture, fixtures & equipment	263,259	263,260
Vehicles	1,022,545	867,272
Buildings	928,858	928,858
Land	35,966	35,966
Accumulated Depreciation	<u>(1,674,231)</u>	<u>(1,673,230)</u>
Net Property and Equipment	<u>576,397</u>	<u>422,125</u>
Total assets	928,668	841,821
Liabilities and Net Assets		
Current Liabilities		
Accounts payable	26,135	110,749
Bank overdraft	-	28,315
Accrued liabilities	42,774	93,258
Deferred	<u>11,938</u>	<u>-</u>
Total current liabilities	<u>80,847</u>	<u>232,322</u>
Long term portion of debt	<u>-</u>	<u>-</u>
Total liabilities	80,847	232,322
Net assets		
Unrestricted	80,343	63,417
Temporarily restricted	191,081	123,908
Permanently restricted	<u>576,397</u>	<u>422,174</u>
Total net assets	<u>847,821</u>	<u>609,499</u>
Total liabilities and net assets	\$ 928,668	\$ 841,821

Bossier Office of Community Services, Inc.
Statements of Activities
For the Years Ended December 31, 2011 and 2010

	<u>Unrestricted</u>	<u>Temporarily Restricted</u>	<u>Permanently Restricted</u>	<u>2011 Total</u>	<u>2010 Total</u>
<u>Revenues, gains, and other support:</u>					
Interest	\$ -	\$ 269	\$ -	269	\$ 318
Grant revenues	12,850	4,680,034	-	4,692,884	5,187,289
Local	167,308	-	-	167,308	225,009
ARRA	-	2,500	-	2,500	507,628
	<u>180,158</u>	<u>4,682,803</u>	<u>-</u>	<u>4,862,961</u>	<u>5,920,244</u>
<u>Net Assets Released from restriction</u>					
Satisfaction of program restrictions	4,576,401	(4,576,401)	-	-	-
Note payment	-	-	-	-	-
Satisfaction of capital acquisition	-	(155,273)	155,273	-	-
Expiration of time restrictions	<u>1,000</u>	<u>-</u>	<u>(1,000)</u>	<u>-</u>	<u>-</u>
	<u>4,577,401</u>	<u>(4,731,674)</u>	<u>154,273</u>	<u>-</u>	<u>-</u>
Insurance claim-extraordinary income	-	-	-	-	-
Total unrestricted revenues, gains, and other support	<u>4,757,559</u>	<u>(48,871)</u>	<u>154,273</u>	<u>4,862,961</u>	<u>5,920,244</u>
<u>Expenses</u>					
Head Start	2,276,451	-	-	2,276,451	2,346,827
Early Head Start	575,263	-	-	575,263	515,447
ARRA	3,913	-	-	3,913	226,026
Child and Adult Care Food Program	427,304	-	-	427,304	440,860
Community Services Block Grant II	178,432	-	-	178,432	354,777
Community Services Block Grant I	45,448	-	-	45,448	216,811
Low Income Home Energy Assistance	995,315	-	-	995,315	1,509,544
Non Emergency Medical Transportation	34,522	-	-	34,522	42,143
Community Services - Youth Program	17,152	-	-	17,152	166,669
Youth Shelter	6,400	-	-	6,400	89,594
Federal Emergency Management	10,971	-	-	10,971	16,409
Community Development Block Grant	6,180	-	-	6,180	-
School Lunch	50	-	-	50	68,675
Family Day Care Home	-	-	-	-	-
Support Services	-	-	-	-	-
General Services	<u>47,238</u>	<u>-</u>	<u>-</u>	<u>47,238</u>	<u>8,372</u>
Total expenses and losses	<u>4,624,639</u>	<u>-</u>	<u>-</u>	<u>4,624,639</u>	<u>6,002,154</u>
Changes in net assets	132,921	(48,871)	154,273	238,322	(81,910)
Net assets at beginning of year	63,417	123,960	422,123	609,500	691,411
Transfer out	(224,884)	(47,985)	-	(272,869)	(291,370)
Transfer in	<u>108,890</u>	<u>163,979</u>	<u>-</u>	<u>272,869</u>	<u>291,370</u>
Net assets at end of year	\$ 80,343	\$ 191,083	\$ 576,396	\$ 847,823	\$ 609,500

See accompanying notes

Bossier Office Community Services, Inc.
Statements of Cash Flows
For the Years Ended December 31, 2011 and 2010

	<u>2011</u>	<u>2010</u>
<u>Cash flows from operating activities:</u>		
Cash received from grants	\$ 4,857,022	\$ 5,744,656
Cash paid to employees and suppliers	(4,775,114)	(5,934,448)
Other	180,158	225,009
Interest	269	318
Net cash provided (used) by operating activities	262,335	35,535
<u>Cash flows from investing activities:</u>		
Capital purchases	(155,273)	-
Other	-	(50)
Net cash provided (used) by investing activities	(155,273)	(50)
<u>Cash flows from financing activities:</u>		
Increase (Decrease) in notes payable	-	-
Other	-	-
Net cash provided (used) by financing activities	-	-
Net increase (decrease) in cash	107,062	35,485
Cash at beginning of year	218,235	182,750
Cash at end of year	\$ 325,297	\$ 218,235
<u>Reconciliation of change in net assets</u> <u>to net cash provided by operating activities</u>		
Change in net assets	\$ 238,322	\$ (81,910)
Adjustments to reconcile change in net assets to net cash provided by operating activities:		
Depreciation	1,000	37,418
Change in receivables	174,485	49,739
Change in accounts payables	(151,475)	30,288
Non cash receipts	-	-
Net cash provided (used) by operating activities	<u>\$ 262,332</u>	<u>\$ 35,535</u>

See accompanying notes.

Bonanz Office of Community Services, Inc.
Statements of Functional Expenses
For the Years Ended December 31, 2011 and 2010

Expenses	Head Start	Early Head Start	HEAD START ARRA	Child and Adult Care Food	Community Services II	Community Services I	Home Energy Assistance	Non Emergency Transient Services	State Juvenile Home	FEMA	JGU STATE	JGU School Lunch	OCS Youth Services	General Services	General Period	2011 TOTAL	2010 TOTAL
Personnel	\$ 1,136,119	\$ 287,817	\$ -	\$ 122,827	\$ 104,126	\$ 24,009	\$ 37,651	\$ 8,154	\$ -	\$ -	\$ -	\$ -	\$ 1,312	\$ 17,160	\$ -	\$ 1,938,175	\$ 2,305,480
Fringe benefits	462,036	109,935	-	44,384	45,193	14,769	11,020	4,041	-	-	-	-	100	1,318	-	692,813	799,732
Travel	10,894	2,279	-	-	685	535	2,621	-	-	-	-	-	-	345	-	17,360	35,945
Equipment	-	-	-	-	917	385	-	-	-	-	-	-	-	-	-	1,302	9,918
Supplies	66,477	16,314	-	21,019	2,066	616	3,853	1,225	-	-	-	-	488	1,386	-	113,444	154,568
Occupancy	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Contractual	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	46,325
Telephone	28,916	-	-	-	-	1,310	-	-	-	-	-	-	-	1,454	-	31,680	54,302
Utilities	52,444	13,605	-	-	5,691	768	1,781	-	-	-	-	-	-	2,990	-	77,277	123,064
Insurance	98,487	14,319	-	-	10,656	2,170	3,069	7,837	-	-	-	-	-	-	-	126,538	132,885
Vehicle operations	57,969	-	-	-	-	100	-	17,059	-	-	-	-	-	-	-	75,129	61,869
Maintenance	87,420	18,935	-	983	-	316	2,174	-	-	-	-	-	-	6,357	-	116,185	132,283
Office expenses	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	2,749
Professional	31,412	4,600	-	-	-	471	1,562	1,500	-	-	-	-	4,500	-	-	43,574	46,866
Food and supplies	670	2,334	-	236,216	-	-	-	-	-	-	-	-	-	-	-	239,691	272,373
Interest expense	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
IRS penalties	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	27,326	20,377
Provider training	21,326	-	-	-	-	-	-	-	-	-	-	-	-	-	-	19,201	60,559
Miscellaneous	15,578	1,986	-	-	750	-	-	886	-	-	-	-	-	-	-	942,555	1,583,248
Client assistance	-	-	-	-	-	-	931,584	-	-	10,971	-	-	-	-	-	-	-
ARRA	-	-	3,913	-	-	-	-	-	-	-	-	-	-	-	-	3,913	-
Other	680	103,139	-	874	8,348	-	-	-	-	-	17,152	50	-	16,233	-	146,477	122,193
Total	2,276,451	575,263	3,913	426,304	178,432	45,448	995,315	40,702	-	10,971	17,152	50	6,400	47,238	-	4,623,639	5,904,736
Depreciation	-	-	-	1,000	-	-	-	-	-	-	-	-	-	-	-	1,000	37,418
Total	2,276,451	575,263	3,913	427,304	178,432	45,448	995,315	40,702	-	10,971	17,152	50	6,400	47,238	-	4,624,639	6,002,154

**BOSSIER OFFICE OF COMMUNITY SERVICES, INC.
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2011**

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

ORGANIZATION AND PROGRAM DESCRIPTION -

Bossier Office of Community Services, Incorporated (BOCS) is a private nonprofit corporation established under the laws of the State of Louisiana. The corporation is organized to operate a Community Services Program in and for Bossier Parish, Louisiana. Specifically, the corporation is organized to:

- A. serve as the official anti-poverty agency in Bossier Parish, Louisiana;
- B. create, plan, develop, implement, conduct and administer programs according to Federal rules, regulations and guidelines that involve the maximum participation of the community served;
- C. ensure and provide affordable, safe, sanitary and decent housing to very low, low and moderate income residents of the State and expand economic development and home ownership opportunities for low and moderate income residents of the State;
- D. provide assistance and educational materials related to housing to very low, low and moderate income residents of the State;
- E. improvise and utilize all community resources both public and private in an organized approach on eliminating poverty.

Bossier Office of Community Services Inc.'s operations are segregated into general grant programs as follows:

Head Start and Early Head Start Programs (HS and EHS) provides comprehensive educational and support services to low-income and disabled children zero to five years of age and children who have not reached the compensatory school age. This program provides health, mental health, nutrition, education and parent involvement services to children in an effort to enable the child to function at an optimum level in their environment. Funding is provided through federal funds from the U.S. Department of Health and Human Services.

Child and Adult Care Food Program (CACFP) provides a food service program in conjunction with the Head Start and Early Head Start Programs. Funding is provided by federal funds passed through the State of Louisiana, Department of Education.

**BOSSIER OFFICE OF COMMUNITY SERVICES, INC.
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2011
(Continued)**

Community Services Block Grant (CSBG) provides assistance to the poor, disadvantaged and unemployed through housing services, community projects, nutrition services, emergency assistance, employment services, transportation services, and other services. Funding is provided by federal funds passed through the State of Louisiana, Department of Labor.

Transit Services provides transportation services to citizens in the urban and rural areas of Bossier Parish. Funding is provided by federal funds passed through the State of Louisiana, Department of Social Services, federal funds passed through the City of Bossier City, transit fares and other miscellaneous revenues.

Low-Income Home Energy Assistance Program (LIHEAP) provides assistance to low income households in offsetting the burden of high energy costs. Funding is provided by federal funds passed through the Louisiana Housing Finance Agency.

National School Lunch Program (NSLP) provides a food service program in coordination with the Johnny Gray Jones Youth Shelter. Funding is provided by federal funds passed through the State of Louisiana, Department of Education.

Johnny Gray Jones Youth Shelter (JGJYS) provides for the maintenance and operation of a regional youth shelter which provides a temporary facility for juvenile status offenders until their disposition can be decided. Funding is provided by state funds from the Department of Public Safety and Corrections and various other revenues.

Reporting Entity - The governing body of Bossier Office of Community Services is its Board of Directors. The Board appoints an Executive Director to administer the affairs of the agency. BOCS is not considered a component of the city, parish or any governmental body. The governing board independently oversees the agency's operations.

- 1) The accompanying financial statements include all of the organization's programs, activities and functions of BOCS for which the Board has oversight responsibility, except as described in the following paragraph. Such oversight responsibilities include designation of management, the ability to significantly influence operations, accountability for fiscal matters, and the scope of public services.
- 2) Some equipment is owned by BOCS while used in the program for which it was purchased or in other future authorized programs. The funding sources, however, have a reversionary interest in the equipment purchased with grant funds, therefore its disposition, as well as the ownership of any sale proceeds therefrom is subject to funding source regulations.

BOSSIER OFFICE OF COMMUNITY SERVICES, INC.
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2011
(Continued)

BASIS OF ACCOUNTING -

Accounting Policies – The accompanying financial statements have been prepared in conformity with generally accepted accounting principles. BOCS uses the accrual basis of accounting.

Financial Statement Presentation – The financial statements are presented as recommended by Financial Accounting Standards Board Accounting Standards Codification (FASB ASC) 958-205, *Financial Statements of Not-for-Profit Organizations*. FASB ASC 958-205 requires the agency to report information regarding its financial position and activities into three classes of net assets: unrestricted, temporarily restricted, and permanently restricted net assets.

Revenue and Support – Grant revenues (Grants and Governmental reimbursements) are recognized using the legal and contractual requirements of the Agency's programs as guidance. Grant revenues (where funds must be expended for specific purposes prior to amount being reimbursed to the Agency) are recognized based on expenditures recorded.

BOCS reports grants and gifts of cash and other assets as restricted support if they are received with donor or grant stipulations that limit the use of the donated assets. When a donor restriction expires, that is, when a stipulated time restriction ends or purpose restriction is accomplished, temporarily restricted net assets are reclassified to unrestricted net assets and reported in the statement of activities as net assets released from restrictions. Temporarily restricted net assets are restricted for future period expenditures.

Property and Equipment – Property and equipment are recorded at costs unless donated. If donated, property and equipment are carried at the approximate fair value at the date of donation. It is BOCS's policy to capitalize property and equipment with a unit cost of \$5,000 or more. Lesser amounts are expensed. Donations of property and equipment are recorded as contributions at their estimated fair value. Such donations are reported as unrestricted contributions unless the donor has restricted the donated asset to a specific purpose.

Assets donated with explicit restrictions regarding their use and contributions of cash that must be used to acquire property and equipment are reported as restricted contributions. Absent donor stipulation regarding how long those donated assets must be maintained, the Agency reports expirations of donor restrictions when the donated or acquired assets are placed in service as instructed by the donor

BOCS recognizes depreciation on its fixed assets in accordance with generally accepted accounting principles. The Federal government has a reversionary interest in property purchased with Federal funds. Its disposition, as well as any disposition proceeds, is subject to federal regulations. The use of assets purchased with federal funds is limited to the purposes intended by the funding source. Fixed assets are depreciated using the straight-line method

**BOSSIER OFFICE OF COMMUNITY SERVICES, INC.
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2011
(Continued)**

BOCS's fixed assets are stated at cost and are depreciated as follows:

<u>Fixed Asset</u>	<u>Useful Life</u>	<u>Method</u>
Furniture & Equipment	5 - 10 Years	Straight Line
Vehicles	5 Years	Straight Line
Buildings	20 - 30 Years	Straight Line

Depreciation expense for the year ended December 31, 2011 totaled \$1,000.

Cash and Cash Equivalents – For purposes of the Statement of Cash Flows, BOCS considers all unrestricted highly liquid investments with an initial maturity of three months or less to be cash equivalents. BOCS had no cash equivalents at December 31, 2011.

Use of Estimates – The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Actual results could differ from those estimates.

Income Taxes – BOCS is a not-for-profit organization that is exempt from income taxes under Section 501 (c)(3) of the Internal Revenue Code and classified by the Internal Revenue Service as a private corporation.

Contributed Services – BOCS received donated services from a variety of unpaid volunteers assisting in its program services. No amounts for donated services have been recognized in the accompanying statements of activities since the criteria for recognition of such volunteer efforts under FASB ASC 985 has not been satisfied.

Pension Plan – A 403 (b) Retirement Plan was established for employees of BOCS effective May 1, 2001.

Expense Allocation – The costs of providing various programs and other activities have been summarized on a functional basis in the Statement of Activities. Accordingly, certain costs have been allocated among the programs and supporting services benefited.

NOTE 2: PROGRAM EXPENSES

Net assets were released from grantor restrictions by incurred expenses satisfying the restricted purposes or by occurrence of other events specified by funding sources.

**BOSSIER OFFICE OF COMMUNITY SERVICES, INC.
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2011
(Continued)**

Purpose restrictions accomplished:

Head Start and Early Head Start Program	\$ 3,006,987
ARRA Head Start	3,913
Child and Adult Care Food Program	426,304
Community Services Block Grant	223,880
ARRA Community Services Block Grant	-
Low Income Home Assistance Program	995,315
Non Emergency Transit Services	-
Federal Emergency Management Assistance	7,500
Community Development Block Grant	6,180
Johnny Gray Jones General	-
General Fund	-
National School Lunch Program	-
Total	<u>\$ 4,670,079</u>

NOTE 3: LEASE COMMITMENTS

Bossier Office of Community Services leases equipment under operating leases from various entities. No leases have initial or remaining non-cancelable terms in excess of one year.

NOTE 4: GRANTS RECEIVABLE

Grants receivable at December 31, 2011 is comprised of the following:

Agency	Program	Amount
U.S. Department of Health and Human Services	Head Start/Early Head Start	\$ -
Louisiana Department of Education	Child and Adult Care Food	26,974
Louisiana Department of Labor	Community Services Block Grant	-
Louisiana Department of Education	National School Lunch	-
	Total	<u>\$ 26,974</u>

BOSSIER OFFICE OF COMMUNITY SERVICES, INC.
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2011
(Continued)

NOTE 5: PENSION PLAN

A 403 (b) Retirement Plan was established for employees of BOCS effective May 1, 2001. Employees with at least one year of service may contribute a portion of their wages to the plan. An amount equal to 5% of the total salary of eligible employees is contributed to the plan by BOCS.

The amount contributed by BOCS to retirement plans on behalf of the employees for the year ended December 31, 2011 was \$55,308.

NOTE 6: CONCENTRATION OF CREDIT RISK

BOCS received over 97% of its funding from Federal and State grants with the Head Start program providing over 63% of all grant revenues.

Concentrations of credit risk with respect to grant receivables are limited due to these amounts being due from governmental agencies under contractual terms. As of December 31, 2011, BOCS had no significant concentrations of credit risk in relation to grant receivables.

NOTE 7: COMMITMENTS AND CONTINGENCIES

BOCS participates in certain governmental financial assistance programs. Although BOCS grant programs have been audited through December 31, 2011 in accordance with provisions of the Single Audit Act, these programs are still subject to financial and compliance audits by the grantor agencies. The amount, if any, of expenditures which may be disallowed by the granting agencies cannot be determined at this time, although BOCS expects such amounts, if any, to be immaterial.

NOTE 8: SUBSEQUENT EVENTS

Subsequent events were evaluated through June 15, 2012, the date that the financial statements were available to be issued.

SUPPLEMENTAL INFORMATION

BOSSIER OFFICE OF COMMUNITY SERVICES, INC.
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
For the Year Ended December 31, 2011

Federal Grantor/Pass through Grantor/Program Title	Federal CFDA <u>Number</u>	Agency or Pass-through <u>Number</u>	Federal <u>Expenditures</u>
<u>U. S. DEPARTMENT OF HEALTH AND HUMAN SERVICES</u>			
<i>Direct Program</i>			
Head Start Program	93 600	06CH0190	\$ 3,006,987
American Recovery Act of 2009 (ARRA)	93.708	06SE0190	3,913
Passed through Louisiana Department of Labor Community Services Block Grant (CSBG)	93.569	2011N0033	223,880
American Recovery Act of 2009 (ARRA)	93.710		-
Passed through Louisiana Department of Social Services- Office of Community Services Title XIX Transportation (NEMT)	93.667		-
Passed through Louisiana Housing Finance Agency Low Income Home Energy Assistance Program (LIHEAP)	93.568	Unknown	995,315
Total U.S. Department of Health and Human Services			<u>4,230,094</u>
<u>U. S. DEPARTMENT OF AGRICULTURE</u>			
Passed Through Louisiana Department of Education Child and Adult Care Food Program (CACFP)	10.558	N/A	426,304
National School Lunch Program (NSLP)	10.555	N/A	-
Total Department of Agriculture			<u>426,304</u>
<u>U. S. Department of Housing and Urban Development</u>			
Passed through City of Bossier City Community Development Block Grant - (CDBG) Transportation Assistance	14 218	N/A	6,180
Total Department of Housing and Urban Development			<u>6,180</u>
<u>U. S. DEPARTMENT OF HOMELAND SECURITY</u>			
Passed through a local governing board Emergency Food and Shelter Program (FEMA)	97.024	Unknown	7,500
Total Federal Emergency Management Agency			7,500
Total Federal Expenditures			<u>\$ 4,670,079</u>

BOSSIER OFFICE OF COMMUNITY SERVICES, INC.
RECONCILIATION OF FINANCIAL STATEMENTS TO FEDERAL EXPENDITURES
For the Year Ended December 31, 2011

	<u>Amount</u>
EXPENSES FROM FINANCIAL STATEMENTS	\$ 4,624,639
ADD	
Capital Purchases	155,273
Less Non Federal Expenditures	
Depreciation	(1,000)
Others	(108,833)
 Total Federal Expenditures	 <u>\$ 4,670,079</u>

Depreciation:

The Agency did not receive reimbursement for depreciation and depreciation was not charged to the grant.
Depreciation in these instances is not a federal expenditure as reflected in the reconciliation.

BOSSIER OFFICE OF COMMUNITY SERVICES, INC.
NOTES TO SCHEDULE OF FEDERAL AWARDS
December 31, 2011

(1) Basis of Presentation

The accompanying Schedule of Expenditures of Federal Awards presents the activity of all federal financial assistance and state assistance and federal and state cost-reimbursement contracts of Bossier Office of Community Services, Inc. BOCS receives federal awards both directly from the United States Department of Health and Human Services and indirectly through the State of Louisiana.

Federal program expenditures included in the accompanying schedule are presented on the accrual basis of accounting. The information in this schedule is presented in accordance with the requirements of OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*.

(2) Major Programs

Three major programs are identified in the Summary of Auditor's Results in the Schedule of Findings and Questioned Costs.

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Texas Society of Certified Public Accountants
Society of Louisiana Certified Public Accountants
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**Report on Internal Control over Financial Reporting and on
Compliance and Other Matters Based on an Audit of Financial Statements
Performed in Accordance with Government Auditing Standards**

To the Board of Directors
Bossier Office of Community Services, Inc.
Bossier City, Louisiana

We have audited the financial statements of Bossier Office of Community Services, Inc. (BOCS) as of and for the year ended December 31, 2011, and have issued our report thereon dated June 15, 2012. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States.

Internal Control Over Financial Reporting

Management of Bossier Office of Community Services, Inc. is responsible for establishing and maintaining effective internal control over financial reporting. In planning and performing our audit, we considered Bossier Office of Community Services Inc.'s internal control over financial reporting as a basis for designing our auditing procedures for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of Bossier Office of Community Services, Inc.'s internal control over financial reporting. Accordingly, we do not express an opinion on the effectiveness of the Organization's internal control over financial reporting.

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis.

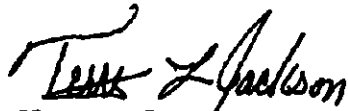
Our consideration of internal control over financial reporting was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in the internal control over financial reporting that might be deficiencies, significant deficiencies, or

material weaknesses. We did not identify any deficiencies in internal control over financial reporting that we consider to be material weaknesses, as defined above.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether BOCS's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

This report is intended solely for the information and use of management, the board of directors, others within the entity, and federal awarding agencies and pass-through entities and is not intended to be and should not be used by anyone other than these specified parties.

A handwritten signature in black ink, appearing to read "Terry L. Jackson". The signature is fluid and cursive, with the first name "Terry" and last name "Jackson" clearly distinguishable.

Houston, Texas

June 15, 2012

TERRIE L. JACKSON
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Membership:

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**Report on Compliance with Requirements That Could Have a
Direct and Material Effect on Each Major Program
and on Internal Control Over Compliance in Accordance with OMB A-133**

To the Board of Directors
Bossier Office of Community Services, Inc.
Bossier City, Louisiana

Compliance

We have audited Bossier Office of Community Services, Inc.'s (BOCS) compliance with the types of compliance requirements described in the *OMB Circular A-133 Compliance Supplement* that could have a direct and material effect on each of BOCS's major federal programs for the year ended December 31, 2011. Bossier Office of Community Services, Inc.'s major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs. Compliance with the requirements of laws, regulations, contracts, and grants applicable to each of its major federal programs is the responsibility of BOCS's management. Our responsibility is to express an opinion on BOCS's compliance based on our audit.

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*. Those standards and OMB Circular A-133 require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about BOCS's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances. We believe that our audit provides a reasonable basis for our opinion. Our audit does not provide a legal determination of BOCS's compliance with those requirements.

In our opinion, Bossier Office of Community Services, Inc. complied, in all material respects, with the requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended December 31, 2011.

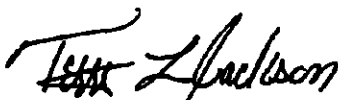
Internal Control over Compliance

Management of Bossier Office of Community Services, Inc. is responsible for establishing and maintaining effective internal control over compliance with the requirements of laws, regulations, contracts, and grants applicable to federal programs. In planning and performing our audit, we considered BOCS's internal control over compliance with the requirements that could have a direct and material effect on a major federal program to determine our auditing procedures for the purpose of expressing our opinion on compliance and to test and report on internal control over compliance in accordance with OMB Circular A-133, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of BOCS's internal control over compliance.

A deficiency in internal control over compliance exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. *A material weakness in internal control over compliance* is a deficiency, or combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis.

Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be deficiencies, significant deficiencies or material weaknesses. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above.

This report is intended solely for the information and use of management, the board of directors, others within the entity, and federal awarding agencies and pass-through entities and is not intended to be and should not be used by anyone other than these specified parties.



Houston, Texas
June 15, 2012

**BOSSIER OFFICE OF COMMUNITY SERVICES, INC.
SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS
DECEMBER 31, 2011**

Financial Statement Audit Findings

None reported.

Major Federal Award Program Audit Findings

None reported.

**BOSSIER OFFICE OF COMMUNITY SERVICES, INC.
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
YEAR ENDED DECEMBER 31, 2011**

Section I – Summary of Auditor's Results

Financial Statements

Type of auditor's report issued – Unqualified

Internal control over financial reporting:

Material weaknesses identified? No

Significant deficiencies identified? None reported

Noncompliance material to financial statements noted? No

Federal Awards

Internal control over major programs:

Material weaknesses identified? No

Significant deficiencies identified? None reported

Type of auditor's report issued on compliance for major programs: Unqualified

Any audit findings disclosed that are required to be reported in accordance with Section 510(a) of Circular A-133? No

Identification of major programs:

<u>CFDA Numbers</u>	<u>Name of Federal Program</u>
93.600, 93.708	Head Start Cluster
10.558	Child and Adult Care Food Program
93.568	Low Income Home Energy Assistance Program

Dollar threshold used to distinguish between type A and type B programs:
\$300,000

Auditee qualified as low-risk auditee? Yes

**BOSSIER OFFICE OF COMMUNITY SERVICES, INC.
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
YEAR ENDED DECEMBER 31, 2011
(Continued)**

Section II – Financial Statement Findings

None reported.

Section III – Federal Award Findings and Questioned Costs

None reported.

BOSSIER OFFICE OF COMMUNITY SERVICES, INC.
COMBINING STATEMENTS OF FINANCIAL POSITION
DECEMBER 31, 2011 AND 2010

ASSETS	Head Start	Early Head Start	Child and Adult Care Food Program	CSBG I	CSBG II	LIFELAP	School Lunch	Family Day Care Home	Weatherization Assistance	NEMT & Transit Services	JOYS General State	JOYS OCS & CASINO General Services	General Fund	Payroll Fund	2011 BALANCE	2010 BALANCE
Current Assets																
Cash	\$ 22,711	\$ 20,752	\$ 97,042	\$ 2,605	\$ 51	\$ 84,503	\$ -	\$ -	\$ -	\$ 1,053	\$ -	\$ 12,475	\$ 22,722	\$ 61,381	\$ 323,297	\$ 218,235
Grants receivable	-	-	26,974	-	-	-	-	-	-	-	-	-	-	-	26,974	201,459
Other Receivable	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Other assets	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Insurance claims	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total current assets	22,711	20,752	124,016	2,605	51	84,503	-	-	-	1,053	-	12,475	22,722	61,381	352,271	419,694
Property and Equipment																
Furniture and equipment	-	102,592	5,000	-	-	4,140	-	3,090	29,940	-	5,099	94,649	18,750	-	263,259	263,260
Vehicles	798,358	-	-	-	-	-	-	-	-	115,480	-	90,072	18,635	-	1,022,545	867,272
Buildings	928,858	-	-	-	-	-	-	-	-	-	-	-	-	-	928,858	928,858
Land	35,966	-	-	-	-	-	-	-	-	-	-	-	-	-	35,966	35,966
Accumulated depreciation	(1,225,705)	(102,592)	(2,000)	-	-	(4,140)	-	(3,090)	(18,275)	(115,480)	(5,099)	(175,363)	(22,488)	-	(1,674,231)	(1,673,211)
Net property and equipment	537,477	-	3,000	-	-	-	-	-	11,665	-	-	9,358	14,897	-	576,397	422,124
Total Assets	560,188	20,752	127,016	2,605	51	84,503	-	-	11,665	1,053	-	21,834	37,619	61,381	928,668	841,818
Liabilities and Net Assets																
Current Liabilities	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Accounts payable	-	9,900	-	-	-	-	-	-	-	-	-	-	-	-	26,135	(10,796)
Bank overdraft	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	28,315
Accrued liabilities	41,594	1,181	-	-	-	-	-	-	-	-	-	-	-	-	42,774	93,258
IRS payables	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Current portion of long term	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Deferred	150	-	11,788	-	-	-	-	-	-	-	-	-	-	-	11,938	-
Other liabilities	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total	41,744	11,080	11,788	-	-	-	-	-	-	-	-	11,260	4,976	-	80,847	232,369
Long term portion of debt	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total liabilities	41,744	11,080	11,788	-	-	-	-	-	-	-	-	11,260	4,976	-	80,847	232,369
Net assets	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Unrestricted	-	-	-	-	-	-	-	-	-	-	-	-	-	-	80,343	63,417
Temporarily restricted	(19,032)	9,672	112,228	2,605	51	84,503	-	-	-	1,053	-	-	-	-	191,081	123,908
Permanently restricted	537,477	-	3,000	-	-	-	-	-	11,665	-	-	9,358	14,897	-	576,397	422,124
Total net assets	518,445	9,672	115,228	2,605	51	84,503	-	-	11,665	1,053	-	10,574	32,643	61,381	847,821	609,449
Total liabilities and net assets	560,188	20,752	127,016	2,605	51	84,503	-	-	11,665	1,053	-	21,834	37,619	61,381	928,668	841,818

BOLLER OFFICE OF COMMUNITY SERVICES, INC.
COMPARATIVE STATEMENTS OF ACTIVITIES
YEARS ENDING DECEMBER 31, 2011 AND 2010

	Head Start	Early Head Start	HS ABRA	Child and Adult Care Food	CSBG I	CSBG II	CSBG I	LMBA2	School Lunch	Weatherization Assistance	Emergency Medical Transit	JGYS General State	JGYS OCS & CASINO General Revenue	General Fund	Perennial General Fund	2011 Total	2010 Total
Revenues																	
Grants & Support	\$ 163	\$ -	\$ -	\$ -	\$ 6	\$ 63	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 34	\$ -	\$ -	\$ 269	\$ 318
Interest	2,499,853	482,504	3,913	343,821	-	302,451	-	1,021,014	-	-	18,978	-	-	7,500	-	4,680,034	5,187,289
CSBG	-	-	-	-	-	-	-	-	-	-	12,850	-	-	-	-	12,850	-
Local	-	102,429	-	-	-	32,454	-	-	-	-	-	-	-	18,877	13,549	167,308	225,009
Donation	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
ABRA	-	-	-	-	-	2,500	-	-	-	-	-	-	-	-	-	2,500	507,628
	2,500,016.56	584,932.42	3,913	343,821	6	337,470	-	1,021,014	-	-	31,828	-	-	26,377	13,549	4,862,961	5,920,244
Net Assets Released																	
Item Restrictions	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Non payment	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Settlement equipment	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Expiration of time relative	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total	2,500,016.56	584,932.42	3,913	343,821	6	337,470	-	1,021,014	-	-	31,828	-	34	26,377	13,549	4,862,961	5,920,244
Expenses																	
HS	2,276,450.61	-	-	-	-	-	-	-	-	-	-	-	-	-	-	2,276,451	2,346,827
EHS	-	575,263.43	-	-	-	-	-	-	-	-	-	-	-	-	-	575,263	513,447
ABRA	-	-	3,913	-	-	-	-	-	-	-	-	-	-	-	-	3,913	226,026
CACFP	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	440,860
CSBG I	-	-	-	-	-	-	45,448	-	-	-	-	-	-	-	-	472,753	216,811
CSBG II	-	-	-	427,304	-	178,432	-	-	-	-	-	-	-	-	-	178,432	354,777
ENERG	-	-	-	-	-	-	-	995,315	-	-	-	-	-	-	-	995,315	1,509,544
Youth Shelter	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	34,522	42,143
OCS Youth	-	-	-	-	-	-	-	-	-	-	34,522	-	6,400	-	-	6,400	89,594
School Lunch	-	-	-	-	-	-	-	-	-	-	-	17,152	-	-	-	17,152	166,669
FDCH	-	-	-	-	-	-	-	-	50	-	-	-	-	-	-	50	68,675
FEMA	-	-	-	-	-	-	-	-	-	-	-	-	-	10,971	-	10,971	16,409
CDRO	-	-	-	-	-	-	-	-	-	-	6,180	-	-	-	-	6,180	-
Weatherization	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Support Services	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
General Services	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total	2,276,451	575,263	3,913	427,304	45,448	178,432	-	995,315	50	-	40,702	17,152	6,400	47,238	13,549	4,624,699	6,002,154
Changes in net assets	223,566	9,669	-	(83,483)	(45,443)	159,038	-	25,700	(50)	-	(8,875)	(17,152)	(6,366)	(31,831)	-	238,322	(81,910)
Beginning Net Assets	382,204	3	-	71,386	63	(29,428)	-	58,804	50	11,665	9,928	17,152	18,439	21,400	47,932	609,499	691,410
Transfer out	(87,325)	-	-	-	-	(136,059)	-	-	-	-	-	-	(1,500)	(47,985)	-	(272,869)	(208,211)
Transfer in	-	-	-	177,325	47,985	6,500	-	-	-	-	-	-	-	91,059	-	272,869	208,211
Assets Returned Permanently																	
Ending Net Assets	\$ 518,445	\$ 9,673	\$ -	\$ 115,328	\$ 53	\$ 2,605	\$ -	\$ 84,504	\$ -	\$ 11,465	\$ 1,053	\$ (9)	\$ 10,573	\$ 32,643	\$ 61,381	\$ 847,522	\$ 689,500